

MEMORANDUM

TO: Commissioners McCarty, Hadley, Landis, Ripley and Ziegner
FROM: Jerry L. Webb, Director of Gas/Water/Sewer Division
DATE: March 25, 2004
RE: Utility Articles for Next Conference

The following Final Articles A, C, G and Preliminary Article A are submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after March 31, 2004.

“A” Final

The following miscellaneous item will be eligible for final consideration at the next Commission Conference and based on a review of it by staff members of the Commission, I recommend approval.

1. CenturyTel of Central Indiana, Inc.

The utility proposes to remove the following promotional language from its tariff:

"Monthly recurring charges will not apply for the first 30-day period when new or existing customers subscribe to Custom Calling Features. The Company will begin billing the monthly recurring charges for Custom Calling Features to the subscriber after the initial 30-day period, should the subscriber elect to continue the service.

The Subsequent Service Order charge will be waived for existing customers who subscribe to Custom Calling Service."

There is no cost or revenue change associated with this filing.

The tariff sheet affected by this filing is:

I.U.R.C. No.1, Section VII, Sheet 20.

“C” Final

In order to maintain parity and be in compliance with the Commission’s Final Order in Cause No. 39369 issued June 2, 1993, the following local exchange carrier has filed an intrastate access parity tariff mirroring its respective interstate equivalent. The requirements prescribed for this filing in Commission Order No. 39369 have been carried out and I recommend approval.

Federal Communications Commission

<u>Item</u>	<u>Local Exchange Carrier</u>	<u>Transmittal Number</u>	<u>File Date</u>	<u>Effective Date</u>
1.	IBT d/b/a SBC Indiana	1386	02-27-04	03-13-04

"G" Final

Revisions to the Fuel Cost Adjustment factor have been reviewed by staff members of the Commission and found to be in compliance with the orders of the Commission. The requirements prescribed for these filings in Commission Order No. 35687 have been met and I recommend approval.

<u>Item</u>	<u>Utility</u>	<u>Change</u>	<u>Filing Number</u>
1.	Knightstown	Increase	87-04-04
2.	South Whitley	Decrease	109-04-04

Please indicate your consideration and action of all the preceding items on the appropriate lines provided below.

Jerry L. Webb
Director of Gas/Water/Sewer Division

I approve of all items as presented above:

I approve of all items as presented above except:

Not participating in the following items:

I, _____, Disapprove Items

No.

I, _____, Wish to Defer Items

No.

I hereby certify that the above is a true and correct copy of the action on the articles.

Nancy E. Manley, Executive Secretary

“A” Preliminary

The following new miscellaneous item has been reviewed by staff members of the Commission and we recommend accepting it for filing.

1. Southern Indiana Gas and Electric Company (Electric)

The utility seeks Commission approval of new Rider CAAA factors to be effective during 2004.

The Commission approved the utility's environmental compliance plan by its order issued October 14, 1992, in Cause No. 39347 and adopted the Stipulation and Agreement of the parties to that Cause. The Stipulation and Agreement required the utility to file a tariff rider to its electric tariff for the pass through to the utility's ratepayers of proceeds received by the utility from the sale of “Extra Extension Allowances” received from the U.S. Environmental Protection Agency (“EPA”). Credit factors were to be calculated annually and applied during the calendar years 1995, 1996, 1997, 1998 and 1999 to accomplish the pass through. The pass through of proceeds received from the sale of the Extra Extension Allowances was completed in 1999.

In the order issued in Cause No. 39347, there was also provision to pass through the proceeds from sales of allowances other than Extra Extension Allowances by way of an adjustment (Credit) mechanism which would be filed pursuant to the Commission's thirty day procedure. This mechanism would require quarterly filings and was designed to refund proceeds from the sale of over compliance allowances.

The Company in its April, 1997 filing, proposed and the Commission approved that the Rider CAAA filing be revised to provide for the pass through of the proceeds from the off-system sale of emission allowances and the EPA auction of allowances on an annual basis. The revisions were approved by the other parties to the CAAA proceedings, which were the Office of the Utility Consumer Counselor, Citizens Action Coalition of Indiana and United Mine Workers. Therefore, the proceeds from the off-system sale of allowances and the EPA auction of allowances are included in this filing.

Although Rider CAAA factors are normally credits, they are based on estimated receipts from the sales of allowances, as well as estimated electricity sales. These estimates are reconciled with actual numbers for the previous year. This year's filing has resulted in credit factors for all rate classes.

The Rider CAAA Factors for 2004 are as follows:

Rate A	\$(0.000334) per Kwh
Rate EH	\$(0.000220) per Kwh
Rate B	\$(0.000238) per Kwh
Rate GS	\$(0.000179) per Kwh
Rate OSS	\$(0.000244) per Kwh
Rate LP	\$(0.000107) per Kwh
Rate HLF	\$(0.000123) per Kwh

The tariff sheet affected by this filing is:

15 B.

Jerry L. Webb
Director of Gas/Water/Sewer Division